

Section 17.4 Execution of Amendments; Expenses

Any amendment shall be prepared, executed and recorded, as the case may be, either by Sponsor or by an officer of the Club Association. All expenses associated with preparing and recording an amendment to this Club Declaration shall be the sole responsibility of: (a) any Club Members desiring an amendment as provided for in this Club Declaration; (b) Sponsor, to the extent the right to amend this Club Declaration is reserved to Sponsor and exercised by Sponsor; or (c) in all other cases by the Club Association as a Club Expense.

Section 17.5 Interpretation

Upon the recording of an amendment to this Club Declaration, the definitions used in this Club Declaration shall automatically be extended to encompass and to refer to the Club Property, as expanded. All conveyances of Club Interests after such expansion shall be effective to transfer rights in all the Club Property as expanded, whether or not reference is made to any amendment to this Club Declaration. Reference to this Club Declaration in any instrument shall be deemed to include all amendments to this Club Declaration without specific reference thereto.

**ARTICLE 18
CONDOMINIUM****Section 18.1 Condominium Representation**

To the extent that the Condominium Documents provide for representation of the Club Units on the Condominium Board, all such representations shall be selected by the Club Board on behalf of the Club Members. Likewise, to the extent the Condominium Documents grants voting rights to Unit Owners, all such voting rights shall be exercised by the Club Association on behalf of all Club Members.

Section 18.2 Condominium Documents

In addition to being subject to the terms and conditions of this Club Declaration, all Club Units, Club Members, and the operation of the Club shall be subject to the terms and conditions of the Condominium Documents. To the extent that any of the provisions of this Club Declaration conflict with provisions contained in the Condominium Documents, the provisions contained in the Condominium Documents shall control.

**ARTICLE 19
CLUB POWER OF ATTORNEY**

Each Club Member, by acceptance of a deed or otherwise succeeding to title to a Club Interest, shall be deemed to have irrevocably nominated, constituted and appointed as such Club Member's attorney-in-fact, coupled with an interest and with power of substitution, (i) Sponsor, and (ii) the Persons who shall from time to time constitute the Club Board, to do all things on behalf of themselves and/or the Club members which are enumerated in that certain Club Power of Attorney, the form of which is annexed hereto as Exhibit D to this Club Declaration and incorporated by reference herein, which Club Member, upon request of either Sponsor or the Club Board, shall duly execute, acknowledge and deliver to the requesting party, for recording in the Register's Office.

ARTICLE 20

MISCELLANEOUS

Section 20.1 Enforcement

Enforcement of the covenants, conditions, restrictions, easements, reservations, rights-of-way, and other provisions contained in the Club Documents shall be through any proceedings at law or in equity brought by any aggrieved Club Member, the Club Association, or Sponsor against the Club Association or any Club Member. Such actions may seek remedy by injunction or restraint of a violation or attempted violation, or an action for damages, or any of them, without the necessity of making an election.

Section 20.2 Arbitration

Whenever the Club Documents require a claim or dispute between Sponsor and the Club Association be resolved through arbitration, the following rules and procedures shall be observed:

- (a) Sponsor shall advance the fees necessary to initiate the arbitration. The costs and fees, including ongoing costs and fees, shall be paid as agreed by the parties. If the parties cannot agree, the costs and fees shall be allocated as determined by the arbitrator(s). The costs and fees of the arbitration shall ultimately be borne as determined by the arbitrator(s).
- (b) The administration of the arbitration shall be conducted by a neutral and impartial person(s).
- (c) A neutral and impartial individual(s) shall be appointed to serve as arbitrator(s) within sixty days from the other party's receipt of a written request from a party to arbitrate the claim or dispute. The person appointed may be challenged for bias.
- (d) The venue of the arbitration shall be New York County, New York, unless the parties agree to some other location.
- (e) The commencement of the arbitration shall be prompt and timely in accordance with (i) the Commercial Arbitration Rules of the American Arbitration Club Association ("AAA Rules") or if the AAA Rules do not specify a date by which the arbitration must commence, then (ii) a date as agreed to by the parties, and if they cannot agree, (iii) a date determined by the arbitrator(s).
- (f) The arbitration shall be conducted in accordance with the AAA Rules.
- (g) The conclusion of the arbitration shall be prompt and timely, including the issuance of any decision or ruling following the proceeding or hearing.
- (h) The arbitration shall be authorized to provide all recognized remedies available in law or equity for any cause of action that is the basis of the arbitration. The parties may authorize the limitation or prohibition of punitive damages.
- (i) The decision of the arbitration shall be final and binding on the parties and judgment may be entered thereon in any court having jurisdiction over the party.

Section 20.3 Notices

All notices, demands, or other communications required or permitted to be given hereunder shall be in writing, and any and all such items shall be deemed to have been duly delivered upon personal delivery; as of 3:00 p.m. on the third business day after mailing, in the case of notices forwarded by first class U.S. mail, postage

prepaid; as of 12:00 Noon on the immediately following business day after deposit with Federal Express or a similar overnight courier service; or as of the third business hour (a business hour being one of the hours from 8:00 a.m. to 5:00 p.m. on business days, local time at point of receipt) after transmitting by telecopier.

Section 20.4 Nonwaiver

Failure by Sponsor, the Club Association, or any Club Member or First Mortgagee to enforce any covenant, condition, restriction, easement, reservation, right-of-way, or other provision contained in the Club Documents shall in no way or event be deemed to be a waiver of the right to do so thereafter.

Section 20.5 Severability

The provisions of this Club Declaration shall be deemed to be independent and severable, and the invalidity of any one or more of the provisions of it by judgment or court order or decree shall in no way affect the validity or enforceability of any of the other provisions, which provisions shall remain in full force and effect. Any provision which would violate the rule against perpetuities and the rule prohibiting unlawful restraints on alienation shall be construed in a manner as to make this Club Declaration valid and enforceable.

Section 20.6 Number and Gender

Unless the context provides or requires to the contrary, the use of the singular herein shall include the plural, the use of the plural shall include the singular, and the use of any gender shall include all genders.

Section 20.7 Captions

The captions to the Articles and Sections and the Table of Contents at the beginning of this Club Declaration are inserted only as a matter of convenience and for reference, and are in no way to be construed to define, limit, or otherwise describe the scope of this Club Declaration or the intent of any provision of this Club Declaration.

Section 20.8 Conflicts in Legal Documents

In case of conflicts between the provisions in this Club Declaration and the Club Articles or the Club By-Laws, this Club Declaration shall control. In case of conflicts in the provisions in the Club Articles and the Club By-Laws, the Club Articles shall control.

Section 20.9 Vesting of Interests

Any interest in property granted under this Club Declaration shall vest, if at all, on or before the date of the death of the survivor of the now living children of Prince Charles, Prince of Wales, plus twenty-one years.

Section 20.10 Exhibits

All the Exhibits attached to and described in this Club Declaration are incorporated in this Club Declaration by this reference.

Section 20.11 Choice of Law

This Club Declaration shall be construed and interpreted in accordance with the laws of the State of New York.

Section 20.12 Third Party Beneficiary

This Club Declaration is submitted, imposed, and declared solely for the benefit of Sponsor, Club Members, First Mortgagees, and their respective successors, assigns, heirs, executors, administrators, and personal representatives. No party shall be deemed a third party beneficiary of this Club Declaration.

IN WITNESS WHEREOF, Sponsor has executed this Club Declaration as of the day and year first written.

ST. REGIS RESIDENCE CLUB OF NEW YORK, INC.

By: _____
Name:
Title:

STATE OF NEW YORK)
)
) ss.:
COUNTY OF NEW YORK)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

EXHIBIT A

TO

CLUB DECLARATION

DESCRIPTION OF LAND

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:

BEGINNING at the corner formed by the intersection of the easterly side of Fifth Avenue with the southerly side of East 55th Street;

RUNNING THENCE easterly along the southerly side of East 55th Street, 249.6 feet;

THENCE southerly and parallel with Fifth Avenue, 100.5 feet to the center line of the block;

THENCE westerly along the center line of the block and parallel with East 55th Street, 149.6 feet;

THENCE northerly and parallel with Fifth Avenue, 25 feet;

THENCE westerly and parallel with East 55th Street, 100 feet to the easterly side of Fifth Avenue;

THENCE northerly along the easterly side of Fifth Avenue, 75.5 feet to the point or place of BEGINNING.

EXHIBIT B
TO
CLUB DECLARATION
SCHEDULE OF CLUB UNITS

Club Unit Designation

Tax Lot Number

EXHIBIT C

TO

CLUB DECLARATION

DEFINITIONS

[See the Section of the Offering Plan entitled "Definitions" for some of the Definitions applicable to this Club Declaration]

EXHIBIT D
TO
CLUB DECLARATION
CLUB POWER OF ATTORNEY

[See Part II of the Offering Plan for a copy of the "Club Power of Attorney"]

CLUB BY-LAWS

**BYLAWS
OF
FIFTH AND FIFTY-FIFTH RESIDENCE CLUB ASSOCIATION INC.**

**BYLAWS
OF
ST. REGIS RESIDENCE CLUB ASSOCIATION INC.**

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**BYLAWS
OF
FIFTH AND FIFTY-FIFTH RESIDENCE CLUB ASSOCIATION INC.**

The name of the club association shall be the Fifth and Fifty-Fifth Residence Club Association Inc., a New York not-for-profit corporation ("Club Association").

ARTICLE 1. PURPOSES, ASSENT OF CLUB MEMBERS, AND DEFINITIONS

Section 1.1 Purposes. The Club Association is formed primarily (a) to provide for the operation, administration, use, and maintenance of the Club Property submitted to the Club Declaration for the Fifth and Fifty-Fifth Residence Club ("Club"), as amended or supplemented from time to time ("Club Declaration") and (b) to preserve, protect, and enhance the value of the Club Property.

Section 1.2 Assent. All present or future Club Members, Permitted Users, or any other Persons using the Club Property are subject to these Club Bylaws, the Club Declaration, the Club Reservation Procedures and any Club Rules and Regulations adopted by the Club Board pursuant to these Club Bylaws (collectively, "Club Documents"). Acquisition or rental of any Club Units or the mere act of occupancy of any Club Unit shall constitute an acceptance and ratification of the Club Documents and an agreement to comply with the Club Documents.

Section 1.3 Definitions. Unless otherwise specified, capitalized terms used in these Bylaws shall have the same meanings in these Club Bylaws as such terms have in the Club Declaration.

ARTICLE 2. MEMBERSHIP

Section 2.1 Membership. Ownership of a Club Interest is required in order to qualify for membership in the Club Association.

Section 2.2 Responsibilities of Club Members. Any Person, including Sponsor, on becoming an owner of a Club Interest, shall automatically become a member of the Club Association and be subject to these Club Bylaws. Such membership shall terminate without any formal Club Association action whenever such Person ceases to own a Club Interest, but such termination shall not relieve or release any such former Club Member from any liability or obligation incurred under, or in any way connected with, the Club Association during the period of such ownership, or impair any rights or remedies which the Club Board or others may have against such former Club Member arising out of ownership of the Club Interest and membership in the Club Association and the covenants and obligations incident thereto.

Section 2.3 Membership Certificates. No certificates of stock shall be issued by the Club Association, but the Club Board may, if it so elects, issue membership cards to Club Members. Such membership card shall be surrendered to the secretary of the Club Association or the Club Manager whenever ownership of the Club Interest designated on the card shall terminate.

Section 2.4 Voting Rights. Each Club Interest shall have one vote in the Club Association. The Primary User for each Club Interest shall have all rights under these Club Bylaws regarding the vote for each Club Interest. The Club Association shall not have a vote with respect to any Club Interest it owns. Sponsor shall be allocated a vote in the Club Association for each Club Interest it owns.

ARTICLE 3. MEETINGS OF CLUB MEMBERS

Section 3.1 Place of Meeting. Meetings of the Club Members shall be held at such place, within or without the State of New York, as the Club Board may determine is readily accessible at reasonable cost to the largest possible number of Club Members.

Section 3.2 Annual Meetings. Regular meetings of Club Members shall be held annually. The first annual meeting of the Club Members shall be held within one (1) year of the First Closing of Club Interest. Thereafter, annual meetings of the Club Members shall be held on a date and at a time selected by the Club Board in each succeeding year. The purpose of the annual meetings is for the election of the members of the Club Board and the transaction of such other business of the Club Association as may properly come before the meeting.

Section 3.3 Special Meetings. Calls for a special meeting of the Club Members may be made by the president, by a majority of the members of the Club Board, or by Club Members other than Sponsor having five percent (5%) of the total voting power of the Club Association.

Section 3.4 Notice of Meetings. Written notice of all meetings of the Club Members, given in accordance with the Club Declaration and stating the place, day, and hour of each meeting, and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered and effective not less than thirty (30) nor more than fifty (50) days before the date of the meeting, by or at the direction of the president, the secretary, or the persons calling the meeting as provided under these Club Bylaws, to the registered address for notice (as provided in the Club Declaration) of each Club Interest entitled to be represented by a vote at such meeting. No action shall be adopted at a special meeting except as stated in the notice. In the case of the annual meeting, the notice shall further contain a list of the orders of business to be considered at the annual meeting, and include the name, address and a brief biographical sketch (as available at the time of notice) of each nominee who has announced an intention to stand for election or re-election at the upcoming annual meeting.

Section 3.5 Adjourned Meetings. If any meeting of the Club Members cannot be organized because a quorum has not attended, no business shall be conducted and the presiding officer shall adjourn the meeting from time to time until a quorum is obtained.

Section 3.6 Proxies. The voting power allocated to a Club Interest may be cast pursuant to a proxy duly executed by the Primary User of each Club Interest. A Club Member may not revoke a proxy given pursuant to this section except by actual notice of revocation to the person presiding over a meeting of the Club Association. A proxy is void if it is not dated or purports to be revocable without notice. A proxy terminates eleven months after its date, unless it provides otherwise. A form of proxy may be distributed to each Club Member to afford the Club Member the opportunity to cast the vote allocated to such Club Interest in absentia at a meeting of the Club Association provided that it meets the requirements for a written ballot set forth below and includes the name or names of the Club Members who expect to be in attendance in person at the meeting to whom the proxy is to be given for the purpose of casting the vote to reflect the absent Club Member's vote as specified in the form of proxy.

Section 3.7 Primary User; Designation of Voting Representative--Proxy. If title to a Club Interest is held by more than one (1) individual, by a firm, corporation, partnership, association or other legal entity or any combination thereof, the Primary User shall represent all owners of the Club Interest. The Primary User shall be designated in the Purchase Agreement; however, if no Primary User is designated in the Purchase Agreement, the Primary User shall be the first individual listed on the deed for the Club Interest or the individual designated in a written agreement signed by all owners of the Club Interest. The Primary User shall be a natural person who is an owner of a Club Interest, or a designated

board member or officer or other duly authorized representative of a corporate owner of a Club Interest, or a general partner of a partnership Club Member, or a comparable representative of any other entity, and such representative shall have the power to cast votes on behalf of the Club Members as a member of the Club Association, and serve on the Club Board if elected, subject to the provisions of and in accordance with the procedures described in these Club Bylaws.

Section 3.8 Club Interests--Proxy. Each Club Member, by accepting a deed to a Club Interest, shall be deemed to have appointed the Club Board as such owner's attorney-in-fact and proxy to represent such owner of a Club Interest at any and all regular and special meetings of the Club Association, and there at to cast the vote(s) of such owner of a Club Interest; provided, however, that any owner of a Club Interest may revoke this appointment as to any individual meeting by appearing at the meeting and casting an allotted vote on such Club Member's behalf.

Section 3.9 Quorum. Except as otherwise provided in these Club Bylaws, the presence at the beginning of the meeting in person or by proxy of the Club Members possessing sufficient votes to constitute fifteen percent (15%) of the votes of all Club Members shall constitute a quorum, and such Club Members present in person or by proxy shall constitute the Club Members entitled to vote upon any issue presented at a meeting at which a quorum is present.

Section 3.10 Voting. Except as otherwise required by the Club Declaration or by these Bylaws, the votes of Club Members who are present either in person or by proxy at any duly convened meeting of the Club Association at which a quorum has been established and who cast a simple majority of the total votes eligible to be voted by such present or represented Club Members shall decide any question under consideration, and shall constitute the act of and be binding upon the Club Association. Even when a quorum has been established, if less than one-third (1/3) of the voting power of the Club Association eligible to vote on a matter is in attendance, in person or by proxy, at a regular or special meeting of the Club Association, only those matters of business, the general nature of which was given in the notice of the meeting, may be voted on by the Club Members.

Section 3.11 Waiver of Meeting and Consent to Action. Whenever the vote of Club Members at a meeting of the Club Association is required or permitted by any provision of these Club Bylaws to be taken in connection with any action of the Club Association the meeting and vote of Club Members may be dispensed with and the action in question may be approved if all the Club Members eligible to vote concerning such matter consent in writing to dispense with the meeting and consent in writing to the action in question.

Section 3.12 Action by Written Ballot. Any action that may be taken at any annual or special meeting of Club Members may be taken without a meeting and through voting by mail, if the following requirements are met:

(i) a written ballot is distributed to every Club Member entitled to vote on the matter, setting forth each proposed action, providing an opportunity to vote for or against each proposed action and providing a reasonable time for a Club Member to return the ballot to the Club Association;

(ii) the solicitation for votes by written ballot (a) indicates the number of responses needed to meet the quorum requirements for authorization or rejection of the proposed action or specifies that no quorum of votes is required; (b) states the percentage of votes needed to authorize or reject each matter, other than election of the Club Board; (c) specifies the time by which a ballot must be received by the Club Association in order to be counted; (d) is accompanied by written information sufficient to permit each person casting such ballot to reach

an informed decision on the matter; and (e) affords an opportunity for the Club Member to specify a choice between approval and disapproval of each order of business and further provides that the vote of the Club Members shall be cast in accordance with the choice specified; and

(iii) the number of votes cast by written ballot within the specified time period, authorizing or rejecting the proposed action, equals or exceeds the quorum required to be present at a meeting authorizing or rejecting the action, and the number of votes in favor or against the proposed action equals or exceeds the number of votes in favor or against that would be required to authorize or reject the action at a meeting at which the total number of votes cast was the same as the number of votes cast by written ballot.

A written ballot provided pursuant to this Section may not be revoked. Any action taken under this Section has the same effect as action taken at a meeting of Club Members and may be described as such in any minutes, Club Association records or other document.

ARTICLE 4. CLUB BOARD

Section 4.1 Number and Qualification. The affairs of the Club Association shall be governed by the Club Board, initially composed of four (4) persons who shall be appointed by Sponsor. At the first meeting of the Club Association after the Sponsor Control Period, at least three (3), and in any event an odd number of Club Members shall be elected to the Club Board by the Club Members. The Club Board may be expanded to seven (7) persons by an amendment to these Club Bylaws. The members of the Club Board may be nonresidents of New York, but all members of the Club Board elected by the Club Members (as opposed to any members of the Club Board appointed by Sponsor) must be owners of a Club Interest.

Section 4.2 Sponsor Control of the Club Association. There shall be a Sponsor Control Period of the Club Association, during which Sponsor, or persons designated by Sponsor, may appoint and remove the officers and members of the Club Board. The Sponsor Control Period shall commence upon the First Closing of a Club Interest and shall terminate no later than the earlier of:

- (a) sixty (60) days after conveyance of ninety percent (90%) of the Club Interests in the Club to owners other than Sponsor; or
- (b) five (5) years after the First Closing of a Club Interest.

Sponsor may voluntarily surrender the right to appoint and remove officers and members of the Club Board before termination of the Sponsor Control Period, but in that event Sponsor may require, for the duration of the Sponsor Control Period, that specified actions of the Club Association or Club Board, as described in a recorded instrument executed by Sponsor, be approved by Sponsor before they become effective.

Section 4.3 Election and Term of Office. Until the first annual meeting after the Sponsor Control Period, the terms of members of the Club Board not appointed by Sponsor shall expire at the annual meeting which occurs not less than one (1) year, nor more than two (2) years, eleven months after election to the Club Board. At any time after owners of Club Interests, other than Sponsor, are entitled to elect a member of the Club Board, the Club Association may call a meeting and shall give not less than fifteen (15) nor more than fifty (50) days' notice to the Club Members for this purpose. This meeting may be called and the notice given by any Club Member if the Club Association fails to do so. At the first meeting of the Club Association after the Sponsor Control Period, the terms of the initial Club Board elected by the Club Members shall be staggered so that one (1) or more members shall be elected to serve

a one (1) year term, one or more members shall be elected to serve a two (2) year term, and one or more members shall be elected to serve a three (3) year term. At the expiration of the initial term of office for each respective member of the Club Board, such successor shall be elected to serve a term of three (3) years. A member of the Club Board elected by the Club Members may be elected for two successive terms but is not eligible for election in a third successive term. After the expiration of such third successive term such Club Member is again eligible for election. Notwithstanding any provision in these Club Bylaws to the contrary, members of the Club Board may be elected by written ballot pursuant to the conditions set forth. Each member of the Club Board shall hold office until the election and qualification of such member's successor. At any meeting at which the Club Board is to be elected, the Club Members may, by resolution, adopt specific procedures which are not inconsistent with these Club Bylaws for conducting the elections.

Section 4.4 Removal of Members of the Club Board. A regular or special meeting of Club Members may be called for the purpose of considering the removal of any member of the Club Board. The Club Board shall designate by resolution or motion the date and time of such regular or special meeting after such meeting is properly set or called in accordance with these Club Bylaws and Law. Any one (1) or more of the members of the Club Board, other than a member appointed by Sponsor, may be removed with or without cause by an affirmative vote of sixty-seven percent (67%) of the voting power of the Club Members present in person or represented by proxy and eligible to vote at a meeting when a quorum is present. Any member of the Club Board whose removal has been proposed shall be given an opportunity to be heard at the meeting. Successors may then and there be appointed or elected as provided below; provided, however, that if the entire Club Board is removed at once, an election by the Club Members present in person or represented by proxy and eligible to vote to fill the vacancies thus created shall be held immediately thereafter at the same meeting.

Section 4.5 Vacancies.

(a) **During Sponsor Control Period.** During the Sponsor Control Period, if a member of the Club Board dies, resigns, is removed or a vacancy otherwise occurs, Sponsor shall appoint a new member of the Club Board.

(b) **After the Sponsor Control Period.** After the Sponsor Control Period, any vacancy occurring in the Club Board may be filled by a general election. The term of the incoming member of the Club Board so elected shall be coincident with the remaining term of the replaced member of the Club Board.

Section 4.6 Quorum of the Club Board. A majority of the number of members of the Club Board fixed from time to time by these Club Bylaws shall constitute a quorum for the transaction of business. Any act by a majority vote of the Club Board in attendance where a quorum is present shall be an act of the Club Board.

Section 4.7 Place and Notice of the Club Board Meetings. Any regular or special meetings of the Club Board may be held in or near the Club or at such place within or without the State of New York as determined by the Club Board to significantly reduce the cost to the Club Association or the inconvenience to the Club Board, and upon such notice as the Club Board may prescribe. The Club Board shall hold a regular meeting at least once each year and shall, in addition, meet as often as they deem necessary or desirable to perform their duties hereunder. Calls for a special meeting of the Club Board may be made by written notice signed by any two (2) members of the Club Board. Attendance of a member of the Club Board at any meeting shall constitute a waiver of notice of such meeting, except when a member of the Club Board attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Before, at, or after

any meeting of the Club Board, any member of the Club Board may, in writing, waive notice of such meeting, and such waiver shall be deemed equivalent to the giving of such notice. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Club Board need be specified in the waiver of notice of such meeting. However, in the absence of waivers of notice: (i) notice of the time and place of a regular meeting shall be communicated in writing to the members of the Club Board not less than thirty (30) days prior to the meeting, and (ii) notice of a special meeting shall specify the time and place of the meeting and the nature of any special business to be considered and shall be communicated in writing to members of the Club Board not less than fifteen (15) days prior to the meeting. The Club Board shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of such members of the Club Board as would have been necessary for the action to be taken at a meeting with the Club Board present and voting. Any action so approved shall have the same effect as though taken at a meeting of the Club Board. All or some of the members of the Club Board may participate in a meeting by means of a conference telephone or similar communications equipment by which all persons participating in the meeting can hear each other at the same time. Such participation shall constitute presence in person at the meeting.

Section 4.8 Powers and Duties. The Club Board shall have, subject to the limitations contained in the Club Declaration, the powers and duties necessary, desirable, or appropriate for the administration of the affairs of the Club Association and for the operation and maintenance of the Club Property, including the following powers and duties:

- (a) Adopt and amend the Club Documents;
- (b) Adopt and amend budgets for Club revenues, expenditures, and reserves;
- (c) Collect Club Charges from Club Members;
- (d) Suspend the voting interests allocated to a Club Interest, and the right of a Primary User or Club Member to cast such votes, or by proxy the votes of another, during any period in which such Club Member is in default in the payment of any Club Charges, or, after notice and a hearing, during any time in which a Club Member is in violation of any other provision of the Club Documents;
- (e) Hire and discharge a Club Manager;
- (f) Hire and discharge employees, independent contractors and agents other than the Club Manager;
- (g) Institute, defend or intervene in litigation or administrative proceedings or seek injunctive relief for violation of the Club Documents in the Club Association's name on behalf of the Club Association or two or more Club Members on matters affecting the Club Property;
- (h) Receive notices, join in or institute any litigation or administrative proceeding, and execute any and all documents, in the Club Association's name, on behalf of the Club Association or on behalf of two or more Club Members in connection with any change in zoning, annexation, subdivision approval, building permit, or other type of governmental approvals required to accomplish or maintain the purposes of this Club Declaration;
- (i) Adjust or settle insurance claims as provided in the Club Declaration;
- (j) Make contracts and incur liabilities;

- (k) Regulate and direct the use, maintenance, repair, replacement and modification of the Club Property;
- (l) Cause additional improvements to be made as part of the Club Property;
- (m) Acquire, hold, encumber and convey in the Club Association's name any right, title or interest to real property or personal property;
- (n) Grant leases, licenses and concessions, through or over the Club Property (including without limitation, licenses to provide room service);
- (o) Accept the benefit of any easement appurtenant to the Club Property;
- (p) Impose and receive a payment, fee or charge for the use, rental or operation of the Club Property, and for services provided to Club Members or Permitted Users;
- (q) Grant exclusive possession and control of any Club Unit owned or leased by the Club Association to duly authorized licensees for the limited purpose of selling, serving and delivering all types of alcoholic beverages of every kind and character;
- (r) Impose a reasonable charge for late payment of Club Charges (not to exceed the rate prohibited by Law), recover the costs of enforcement for collection of Club Charges and other actions to enforce the powers of the Club Association, regardless of whether or not suit was initiated and, after notice and hearing, levy reasonable fines for violations of the Club Documents;
- (s) Impose a reasonable charge for the preparation and recordation of amendments to the Club Documents or for preparation of statements of unpaid Club Charges;
- (t) Provide for the indemnification of the Club Association's officers and Club Board and maintain directors' and officers' liability insurance;
- (u) Borrow funds and assign the Club Association's right to future income, including the right to receive Club Charges;
- (v) Keep adequate books and records and implement the policies and procedures for the inspection of books and records of the Club Association by Club Members in accordance with the terms of the Bylaws;
- (w) Establish policies and procedures for entry into the Club Units under the authority granted to the Club Association in the Club Declaration for the purpose of cleaning, maid service, maintenance and repair including emergency repair and for the purpose of abating a nuisance or any known or suspected dangerous or unlawful activity;
- (x) By resolution, establish committees of the Club Board or Club Members, permanent and standing, to perform any of the above functions under specifically delegated administrative standards, as designated in the resolution establishing the committee;
- (y) Declare the office of a member of the Club Board to be vacant in the event such member shall be absent from three (3) regular meetings of the Club Board during any one year period;

(z) By resolution, set forth policies and procedures which shall be considered incorporated herein by reference as though set forth in full. Such resolutions shall be given the same force and effect as if specifically enumerated in these Club Bylaws;

(aa) Exercise any other powers conferred by the Club Documents; and

(bb) Exercise any other power necessary and proper for the governance and operation of the Club Association.

(cc) Enter into agreements for internal and external exchange programs and reciprocal sharing agreements with one or more other club associations, the cost of which shall be included in Club Charges.

Section 4.9 Club Manager. The Club Board may employ for the Club Association a Club Manager at a compensation established by the Club Board, to perform such duties and services as the Club Board shall authorize; provided, however, that the Club Board in delegating such duties shall not be relieved of its responsibility under the Club Declaration. The Club Board may delegate to the Club Manager those powers granted to the Club Board by these Club Bylaws. The Club Manager shall maintain fidelity insurance coverage or a bond for the benefit of the Club Association in an amount not less than Fifty Thousand Dollars (\$50,000.00) or such higher amount as the Club Board shall require. The Club Manager shall maintain all funds and accounts of the Club Association separate from the funds and accounts of other associations managed by the Club Manager and shall maintain all reserve accounts for the Club Association separate from operational accounts of the Club Association. The Club Manager, a public accountant or a certified public accountant shall provide an annual accounting for Club Association funds and a financial statement to the Club Association.

Section 4.10 Compensation of the Members of the Club Board. Except as provided in this Section, members of the Club Board shall not be paid any compensation for their services performed as members of the Club Board unless a resolution authorizing such remuneration shall have been adopted by the members of the Club Association. Each member of the Club Board shall receive reimbursement for reasonable transportation, meals, and lodging expenses, and reasonable per diem payments, for attendance at any regular or special meeting of the Club Board or for other actual expenses incurred in connection with the performance of such member duties of office as a member of the Club Board.

Section 4.11 Club Board Meeting. Without the necessity of giving prior notice to the Club Members, all meetings of the Club Board, at which action is to be taken by vote, will be open to the Club Members, except that meetings of the Club Board may be held in executive session(s), without the requirement that they be open to Club Members, with the approval of a majority of a quorum of the Club Board, in the following situations:

(a) matters pertaining to employees of the Club Association or involving the employment, promotion, discipline or dismissal of an officer, agent, or employee of the Club Association;

(b) consultation with legal counsel concerning disputes that are the subject of pending or imminent court proceedings or matters that are privileged or confidential between attorney and client;

(c) investigative proceedings concerning possible or actual criminal misconduct;

(d) matters subject to specific constitutional, statutory, or judicially imposed requirements protecting particular proceedings or matters from public disclosure;

(e) any matter the disclosure of which would constitute an unwarranted invasion of privacy of any individual or entity.

The nature of any and all business to be considered in executive session shall first be announced in open session. In open session, Club Members who are not on the Club Board may not participate in any deliberation or discussion unless expressly so authorized by the vote of a majority of a quorum of the Club Board.

Section 4.12 Minutes of Meetings. A copy of the written minutes of any meeting of the Club Board shall be made available to a Club Member within sixty (60) days after adjournment of such meeting, upon written request of the Club Member.

ARTICLE 5. OFFICERS AND THEIR DUTIES

Section 5.1 Enumeration of Officers. The officers of the Club Association shall be a president, vice president, secretary, and treasurer, and such other officers as the Club Board may from time to time by resolution create. The president must be a member of the Club Board. The office of vice-president may be vacant.

Section 5.2 Election of Officers. The election of officers shall take place at the first meeting of the Club Board and thereafter at the first meeting of the Club Board following each annual meeting of the Club Members.

Section 5.3 Term. The officers shall be elected annually by the Club Board and each shall hold office for one (1) year unless such officer shall sooner die, resign, or shall be removed or otherwise disqualified to serve.

Section 5.4 Special Appointments. The Club Board may elect such other officers as the affairs of the Club Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Club Board may from time to time determine.

Section 5.5 Resignation and Removal. Any officer may be removed from office with or without cause upon the affirmative vote of a majority of the Club Board. Any officer may resign at any time by giving written notice to the Club Board, the president, or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5.6 Vacancies. A vacancy in any office may be filled by appointment by the Club Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he or she replaces.

Section 5.7 Multiple Offices. Any two (2) or more offices may be held by the same person, except the offices of president and secretary.

Section 5.8 Duties. The duties of the officers are as follows:

(a) President. The president shall preside at all meetings of the Club Members and the Club Board; shall see that orders and resolutions of the Club Board are carried out; shall sign

on behalf of the Club Association all leases, mortgages, deeds, notes and other written instruments; and shall exercise and discharge such other duties as may be required of the president by the Club Board. In addition, the president shall have all of the general powers and duties that are incident to the office of president of a nonprofit corporation organized under the laws of the State of New York, including but not limited to, the power to appoint committees from among the Club Members from time to time as the president may decide is appropriate to assist in the conduct of the affairs of the Club Association. The president may fulfill the role of treasurer in the absence of the treasurer. The president may cause to be prepared and may execute amendments, attested by the secretary, to the Club Documents on behalf of the Club Association, following authorization or approval of the particular amendment as applicable.

(b) Vice President. The vice president shall act in the place and stead of the president in the event of the presidents absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required of the vice president by the Club Board.

(c) Secretary. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Club Board and of the Club Members; keep the corporate stamp or seal of the Club Association, if any, and place it on all papers requiring said stamp or seal, if necessary; serve notice of meetings of the Club Board and of the Club Members; keep appropriate current records showing the Club Members together with their addresses; and shall perform such other duties as required by the Club Board.

(d) Treasurer. The treasurer shall receive and may endorse on behalf of the Club Association, for collection only, all checks, notes, and other obligations and shall deposit the same and all monies in appropriate bank accounts of the Club Association. The treasurer shall disburse such funds as directed by resolution of the Club Board; keep proper books of account; at the direction of the Club Board, cause an audit of the Club Association books to be made; and prepare an annual budget and a statement of income and expenditures to be presented to the Club Members at the regular annual meeting of Club Members, and deliver a copy of the approved budget to the Club Members. Except for reserve funds described below, the treasurer may have custody of and shall have the power to endorse for transfer, on behalf of the Club Association, stock, securities or other investment instruments owned or controlled by the Club Association or as fiduciary for others. Reserve funds of the Club Association shall be deposited in segregated accounts or in prudent investments, as the Club Board decides. Funds may be withdrawn from these reserves for the purposes for which they were deposited, by check or order, authorized by the treasurer, and executed by: (i) prior to the first meeting of the Club Association after the Sponsor Control Period, the sole member of the Club Board; or (ii) after the first meeting of the Club Association after the Sponsor Control Period, two members of the Club Board, one of whom may be the treasurer.

Section 5.9 Execution of Instruments. All agreements, contracts, deeds, leases, checks, notes and other instruments of the Club Association may be executed by any person or persons as may be designated by resolution of the Club Board, including the Club Manager. Any officer may prepare, execute, certify and record duly adopted amendments to the Club Documents on behalf of the Club Association.

Section 5.10 Statements of Unpaid Club Charges. The treasurer, assistant treasurer, a Club Manager employed by the Club Association or, in their absence, any officer having access to the books and records of the Club Association may prepare, certify, and execute statements of unpaid Club Charges. The amount of the fee for preparing statements of unpaid club charges and the time of payment shall be

established by resolution of the Club Board. Any unpaid fees may be assessed as Club Charges against the Club Members for which the certificate or statement is furnished.

ARTICLE 6. INDEMNIFICATION OF MEMBERS OF THE CLUB BOARD AND OFFICERS OF THE CLUB BOARD

Section 6.1 Actions Other than by or in the Right of the Club Association. The Club Association shall indemnify any person who was or is a party, or is threatened to be made a party to any pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Club Association) by reason of the fact that such person is or was a member of the Club Board, officer, employee, fiduciary, or agent of the Club Association, who is or was serving at the request of the Club Association in such capacity, against expenses (including expert witness fees, attorneys' fees and costs) judgments, fines, amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding, if such person acted in good faith and in a manner that such person reasonably believed to be in the best interests of the Club Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe such person's conduct was unlawful. Determination of any action, suit or proceeding by judgment, order, settlement or conviction, or upon a plea of *nolo contendere* or its equivalent, shall not of itself create a presumption that the person did not act in good faith and in a manner such person reasonably believed to be in the best interests of the Club Association and, with respect to any criminal action or proceeding, had reasonable cause to believe such person's conduct was unlawful.

Section 6.2 Actions by or in the Right of the Club Association. The Club Association shall indemnify any person who was or is a party or who is threatened to be made a party to any pending or completed action or suit by or in the right of the Club Association to procure judgment in its favor by reason of the fact that such person is or was a member of the Club Board, officer, employee, fiduciary, or agent of the Club Association, or is or was serving at the request of the Club Association in such capacity, against expenses (including expert witness fees, attorneys' fees and costs) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit if such person acted in good faith and in a manner that he or she reasonably believed to be in the best interests of the Club Association; but no indemnification shall be made in respect of any claim, issue or matter as to which such person has been adjudged to be liable to the Club Association unless, and to the extent that, the court in which such action or suit was brought determines upon application that (despite the adjudication of liability), in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnification for such expenses.

Section 6.3 Determination Required. Any indemnification under Sections 6.1 or 6.2 of this Article (unless ordered by a court) and as distinguished from Section 6.4 of this Article, shall be made by the Club Association only as authorized by the specific case upon a determination that indemnification of such person is proper in the circumstances, because such person has met the applicable standard of conduct set forth in Sections 6.1 or 6.2 above. Such determination shall be made by the Club Board by majority vote of a quorum consisting of those members of the Club Board who were not parties to such action, suit or proceeding or, if a quorum cannot be obtained or a majority of disinterested members of the Club Board so directs, by independent legal counsel. Such determination shall be reasonable, based on substantial evidence of record, and supported by a written opinion. The Club Board shall provide a copy of its written opinion to the person seeking indemnification upon request.

Section 6.4 Expenses if Successful on the Merits. To the extent that a member of the Club Board, officer, employee, fiduciary, or agent of the Club Association has been wholly successful on the merits in defense of any action, suit or proceeding referred to in Sections 6.1 or 6.2 of this Article, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses

(including expert witness fees, attorneys' fees and costs) actually and reasonably incurred by such person in connection therewith.

Section 6.5 Payment in Advance of Final Disposition. The Club Association shall pay for or reimburse the reasonable expenses incurred by a former or current member of the Club Board, officer, employee, fiduciary, or agent of the Club Association who is a party to a proceeding in advance of final disposition of the proceeding if: (a) such person furnishes to the Club Association a written affirmation of such person's good faith belief that such person has met the standard of conduct described in Sections 6.1 or 6.2 of this Article; (b) such person furnishes to the Club Association a written agreement, executed personally or on such person's behalf (which undertaking may be made by such person's employer or surety), to repay the advance if it is ultimately determined that such person did not meet the required standard of conduct; and (c) a determination is made that the facts then known to those making the determination would not preclude indemnification under this Article. The undertaking required in subsection 6.5(b) shall be an unlimited general obligation of the party providing the undertaking (which may include a person's employer or surety) but need not be secured and may be accepted without reference to financial ability to make repayment.

Section 6.6 No Limitation of Rights. The indemnification provided by this Article shall not be deemed exclusive of nor a limitation upon any other rights to which those indemnified may be entitled under any bylaw, agreement, vote of the members or disinterested members of the Club Board, or otherwise.

Section 6.7 Directors and Officers Insurance. The Club Association shall purchase and maintain insurance on behalf of any person who is or was a member of the Club Board or an officer of the Club Association against any liability asserted against such person and incurred by such person in any such capacity or arising out of such person's status as such, whether or not the Club Association would have the power to indemnify such person against such liability under provisions of this Article.

ARTICLE 7. AMENDMENTS AND CONFLICTS

Section 7.1 Amendments. These Club Bylaws may be amended at any regular meeting of the Club Members or at any special meeting called for the purpose of amending these Club Bylaws, by the affirmative vote of more than thirty percent (30%) of the total voting power of the Club Association, including at least thirty percent (30%) of the voting power allocated to Club Interests not owned by Sponsor. Notwithstanding the foregoing provision, the percentage of the voting power of the Club Association necessary to amend a specific clause or provision of these Club Bylaws shall not be less than the percentage of affirmative voting power prescribed for action to be taken under that clause or provision. Any amendment shall be binding upon every Club Member. Any provision of these Club Bylaws adopted at a regular or special meeting of the Club Members may thereafter only be amended at a regular or special meeting of the Club Members. The Club Members shall have no power to amend the Club Bylaws in such a manner as to materially change the configuration or size of any Club Unit, or to materially alter or modify the appurtenances to any Club Unit, without the unanimous consent of all Club Members directly affected thereby. No amendment shall serve to shorten the term of any member of the Club Board, or delete any provision which must be contained in these Club Bylaws under the terms of Law, or conflict with the other Club Documents.

Section 7.2 Conflict between Documents. In the case of any conflict between the Club Reservation Procedures, the Club Articles, these Club Bylaws, or the Club Declaration, these Club Bylaws or the Club Declaration shall control. In the case of any conflict between the Club Articles and these Club Bylaws, the Club Articles shall control. In the case of any conflict between the Club Declaration and these Club Bylaws or the Club Articles, the Club Declaration shall control.

ARTICLE 8. COMMITTEES

The Club Board may appoint such committees as deemed appropriate which, to the extent provided for in the resolution appointing the Committee and allowed by Law, shall have the powers of the Club Board in the management and affairs and business of the Club Association.

ARTICLE 9. BOOKS AND RECORDS

Section 9.1 Records and Audits. The Club Association shall maintain financial records. Within one hundred twenty (120) days after the close of each fiscal year, the Club Association shall make available to the Club Members a financial report consisting of a balance sheet, operating (income) statement and statement of net changes in the financial position of the Club Association during the fiscal year, and together with a list of the names of the current members of the Club Board. If such financial report is not prepared by an independent accountant, it shall be prepared by the Club Manager or by an officer of the Club Association and accompanied by a certificate of the person preparing the report that the statement was prepared from the books and records of the Club Association without independent audit or review. For any fiscal year during the Sponsor Control Period, and thereafter, for any fiscal year in which the gross income of the Club Association exceeds \$75,000, such financial report shall also be accompanied with an independent review of the report prepared in accordance with generally accepted accounting principles by a certified public accountant. The cost of any audit or review shall be a Club Expense unless otherwise provided in the Club Declaration.

Section 9.2 Examination. Unless prohibited by applicable privacy laws, all records maintained by the Club Association or the Club Manager shall be available for examination and copying by any Club Member or by any of their duly authorized attorneys, at the expense of the person examining the records, during normal business hours and after reasonable notice. The Club Board shall establish reasonable rules with respect to:

- (a) Notice to be given to the Club Manager or other custodian of the records by the Club Member desiring to make the inspection or to obtain copies;
- (b) Hours and days of the week when such an inspection may be made; and
- (c) Payment of the cost of reproducing copies of documents requested by a Club Member.

Section 9.3 Records. The Club Association shall keep the following records:

- (a) An account for each Club Unit and Club Interest, which shall designate the name and address of each Club Member, the name and address of each mortgagee who has given notice to the Club Association that it holds a mortgage on the Club Unit or Club Interest, the amount of each Common Charge, the dates on which each charge comes due, the amounts paid on the account and the balance due;
- (b) The current operating budget;
- (c) A record of insurance coverage provided for the benefit of Club Members and the Club Association;
- (d) Tax returns for state and federal income taxation;

(e) Minutes of proceedings of incorporators, Club Members, Club Board and its committees, and waivers of notice;

(f) A copy of the most current versions of the Club Articles, Club Declaration, these Club Bylaws, Club Reservation Procedures, and resolutions of the Club Board, along with their exhibits and schedules; and

(g) Such other records as the Club Board shall determine from time to time are necessary or desirable.

Section 9.4 Roster. In addition to keeping the other records listed in this Article 9, the Club Association shall annually compile a roster of the name and address of each of the Club Members ("Roster"). Club Members shall not be entitled to obtain a copy of the Roster from the Club Association. In the event a Club Member desires to contact other Club Members, the Club Association shall distribute such materials to the other Club Members at the sole cost and expense of the requesting Club Member upon compliance with the following procedures: (i) receipt of a written request from such Club Member, stating the reason for the request which may not be of a commercial nature; (ii) execution by the Club Member, and receipt by the Club Association, of a confidentiality agreement and affidavit ("Confidentiality Agreement"), in a form reasonably acceptable to the Club Association, stating that the Roster will be used only for purposes reasonably related to the Club Member's interest in the Club Association; and (iii) payment by Club Member of such amount reasonably estimated by the Club Association to cover the cost of mailing, duplication, other expenses associated therewith, including the preparation of a Confidentiality Agreement, and any other reasonable processing and administrative fees.

Section 9.5 Examination by Club Board. Each member of the Club Board shall have the absolute right at any time to inspect all books, records and documents of the Club Association and all physical properties owned or controlled by the Club Association. The right of inspection by the Club Board includes the right to make extracts and copies of records, subject to the provisions of Section 9.4.

ARTICLE 10. CORPORATE SEAL

The Club Association may have a seal or stamp in circular form having within its form the words: "Fifth and Fifty-Fifty Residence Club Association Inc.".

ARTICLE 11. FISCAL YEAR

The fiscal year of the Club Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall be a partial fiscal year beginning on the date of the First Closing of a Club Interest and ending on December 31 of that year. The Club Board may by amendment to these Club Bylaws establish a different fiscal year for the Club Association.

ARTICLE 12. RESERVATION POLICIES AND PROCEDURES AND CLUB RULES AND REGULATIONS

The Club Board shall have the right to establish, amend, and enforce, from time to time, the Club Reservation Procedures for the reservation system governing the use of the Club Units and the Club Rules and Regulations for the management, preservation, safety, control, and orderly operation of the Club Property. Such Club Reservation Procedures and Club Rules and Regulations may not conflict with the provisions of the Club Declaration or Condominium Declaration. The Club Board shall provide notice of the adoption or amendment of any Club Reservation Procedures and Club Rules and Regulations and make such amendments available for inspection by all Club Members and Occupants during convenient

weekday business hours at the principal office of the Club Association. Such Club Reservation Procedures and Club Rules and Regulations may, to the extent not in conflict with the provisions of the Club Declaration, the Club Articles and these Club Bylaws, impose reasonable restrictions upon the use and occupancy of any portion of the Club Property as the Club Board, in its sole and absolute discretion, deems necessary and appropriate. Each Club Member agrees that all such Club Member's ownership rights shall be in all respects subject to the Club Reservation Procedures and Club Rules and Regulations, and each Club Member agrees to obey such Club Reservation Procedures and Club Rules and Regulations as the same may lawfully be amended from time to time, and to ensure that the same are faithfully observed by Occupants of such Club Member's Club Unit. Each person who occupies a Club Unit shall be subject to the Club Rules and Regulations for the duration of Club Member's presence therein. A copy of the Club Reservation Procedures and the Club Rules and Regulations, as amended from time to time, shall be made available to Club Members and Permitted Users upon request.

ARTICLE 13. MEMBERSHIP RIGHTS AND PRIVILEGES

Section 13.1 Rights and Privileges of Club Members. No Club Member shall have the right, without the prior approval of the Club Board, to exercise any of the powers or to perform any of the acts delegated to the Club Board by these Club Bylaws or the Club Declaration. Each Club Member shall have all of the rights and privileges, including but not limited to property rights and easement rights of access over and use and enjoyment of the Common Elements, (including the Hotel Limited Common Elements) granted to the Club Members by the Club Declaration and the Condominium Declaration, subject to such limitations as may be imposed in accordance therewith.

Section 13.2 Suspension of Rights. The Club Board may, without notice or hearing, suspend the rights of use and/or the voting rights of any Owner for the period during which any Club Charge or other amount owed by such Club Member to the Club Association remains unpaid and delinquent; provided, however, that the Club Board may delegate its authority under this subsection to the Club Manager, and the suspension shall relate specifically to the Club Interest with respect to which such amounts are owed to the Club Association.

(a) The Club Board shall also have the right to suspend such use rights and/or voting rights and to impose monetary penalties for any other failure to comply with the Club Documents by any Club Member or Permitted User; provided that any such suspension of use rights and/or voting rights shall be made or monetary penalties imposed by the Club Board only after notice and hearing (as provided in the Club Declaration) and that such suspension of use rights and/or voting rights shall relate specifically to the Club Interest with respect to which the Club Member is in noncompliance.

(b) No suspension of use rights and/or voting rights or imposition of monetary penalties against a Club Member shall be effective unless and until written notice has been given to the Club Member of the suspension, the reason(s) therefore and the length thereof.

ARTICLE 14. INTERPRETATION

Section 14.1 Conflicts. The provisions of these Club Bylaws shall be liberally construed to effect the purpose of ensuring that the Club Property shall at all times be operated and maintained in a manner so as to optimize and maximize its enjoyment and utilization by each Club Member and Permitted User.

Section 14.2 Governing Law. These Club Bylaws shall be governed by and construed according to the Laws of the State of New York. If it should appear that any of the provisions of these

Club Bylaws are in conflict with any rule of Law or statutory provision of the State of New York, then such provisions of these Club Bylaws shall be deemed inoperative and null and void insofar as they may be in conflict therewith and shall be deemed modified to conform to such rule of Law or statutory provision.

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CLUB RESERVATION PROCEDURES

FIFTH AND FIFTY-FIFTH RESIDENCE CLUB, NEW YORK

RESERVATION POLICIES AND PROCEDURES

Introduction

The Fifth and Fifty-Fifth Residence Club, New York, Reservation Policies and Procedures ("Reservation Policies and Procedures") govern the way in which all Club Members have access to the accommodations of the Fifth and Fifty-Fifth Residence Club, New York. These Reservation Policies and Procedures have been carefully developed in order to be equitable to all Club Members. St. Regis New York Management, Inc. ("Club Manager") administers the Fifth and Fifty-Fifth Residence Club, New York, including the Fifth and Fifty-Fifth Residence Club reservation program, pursuant to its Management Agreement with the Fifth and Fifty-Fifth Residence Club Association, Inc. ("Club Association"). The Club Manager has the right to recommend changes to these Reservation Policies and Club Procedures to the Club Association's Board of Directors from time to time as conditions warrant. The Reservation Policies and Procedures will not be changed in a way that discriminates against any category of Club Members. In the event there is a conflict between the Declaration and Plan of Club Ownership for the Fifth and Fifty-Fifth Residence Club ("Club Declaration") or the Bylaws of the Club Association ("Club Bylaws") and these Reservation Policies and Procedures, the Club Declaration or Club Bylaws will control.

Section One: Definitions

The following capitalized terms used in these Reservation Policies and Procedures are defined herein to clarify their intended meaning and usage in this document. All other capitalized terms used in this document which are defined in the Club Declaration, shall have the meanings given them in the Club Declaration.

Alternative Club Week means an unreserved and available seven-day period of time that a Club Member may reserve by releasing the reservation of their Fixed Time.

Accommodation Type means the Club Unit(s) assigned to a particular category. There are three Accommodation Types; a Two Bedroom Duplex, One Bedroom and Studio. During Floating Time usage, Club Members will be assigned a particular Club Unit that is the same as their Accommodation Type. Club Units in each Accommodation Type may vary in size and number of bathrooms, as further detailed on the Club Unit maps included as part of the Sponsor's Offering Plan.

Assigned Priority Designation or Priority Designation means the number and letter assigned to a Club Interest, as designated on the Club Member's deed. A Priority Designation will be assigned at the time a Club Interest is conveyed in a Club Unit. An Assigned Priority Designation determines the reservation selection priority for the Floating Time assigned to each Club Interest during the Priority Reservation Period. A Club Interest's reservation selection priority will rotate on a yearly basis as determined by the Club Manager and set forth on the Priority Use Schedule (attached to these Reservation Policies and Procedures as Exhibit B).

Club Association means the Fifth and Fifty-Fifth Residence Club Association, a New York non-profit corporation.

Club means the Fifth and Fifty-Fifth Residence Club, New York, the program of reservation services and other benefits for owners of Club Interests as set forth in the Club Declaration. The Club is not a multisite vacation club or an exchange company.

Club Documents means the Club Declaration, Club Bylaws, Club Articles and these Reservation Policies and Procedures, as each may be amended from time to time.

Club Interest means an interest in a Club Unit submitted to the Club Declaration which gives the Club Member the right to reserve up to twenty-eight (28) days in a Club Unit for Club Member's use every Use Year. Each Club Interest includes the right to confirm the reservation of seven (7) consecutive days for the time period and Club Unit referenced on the Club Member's deed. This period of time is called "Fixed Time". The Club Interest

also includes the right to use a maximum of fifteen (15) weekdays and six (6) weekend days (as listed on the Club Calendar) for a maximum total of twenty-one (21) days. This period of time is called "Float Time".

Club Manager means St Regis New York Management, Inc., a Florida corporation.

Club Member means the owner or owners vested with legal title to a Club Interest.

Club Calendar means the calendar established every year by the Club Agent establishing the Club Weeks and identifying weekend days and weekdays for purposes of the Float Time Reservations. Club Week number one will begin with the first week containing the first Friday in January. The Club Ten Year Interval Calendar is attached to these Reservation Policies and Procedures as Exhibit A.

Club Unit means a Club Unit in the Condominium, which is submitted to the Club Declaration and in which a Club Interest has been conveyed.

Club Week means seven consecutive days as further described in the Club Declaration. Club Weeks begin on Friday at 4:00 p.m. and end the following Friday at Noon.

Condominium means the Fifth and Fifty-Fifth Condominium, a Condominium located in the borough of Manhattan, New York City, New York.

Club Declaration means the Declaration and Plan of Club Ownership for the Fifth and Fifty-Fifth Residence Club and any amendments thereto.

Fixed Time means the Club Week designated on the Club Member's deed in the Club Unit designated on the Club Member's deed. The Sponsor will not sell more than fifty percent (50%) of a particular Club Week as Fixed Time in each Accommodation Type.

Floating Time means the 15 weekdays and 6 weekend days, as established on the Club Calendar, of a Club Member's Club Interest, in the Accommodation Type that is the same as the Club Unit designated on the Club Member's deed. Floating Time is reserved during either the Priority Reservation Period or during the Open Reservation Period. A Club Member may have up to four reservations for Floating Time confirmed at any given time during a particular Use Year.

Member in Good Standing means a Club Member who is current in the payment of all outstanding amounts owed to the Club Manager or Sponsor that relate to the Club Member's ownership of a Club Interest.

Open Reservation Period means the period of time when Club Members may request reservations of their Floating Time on a first come, first served basis. The Open Reservation Period begins on November 1 prior to the beginning of the Use Year and ends on the last day of the following Use Year. For example, the Open Reservation Period for the 2007 Use Year will begin on November 1, 2006 and continue until December 31, 2007.

Other Owner means the individual or individuals who are listed on the deed for the Club Interest who are not the Primary User.

Permitted User means an individual designated by the Primary Owner who may make reservations of Club Weeks for a particular Club Interest.

Primary Owner means the individual designated as having exclusive rights to make decisions regarding the Club Interest, including making reservations for the Club Interest.

Priority Reservation Period means the period during which the Fixed Time of each Club Member is automatically reserved by the Club Manager and during which Club Members may choose to release their Fixed Time reservation and request an Alternate Club Week reservation. In addition, during the Priority Reservation Period, Club Members may reserve their Floating Time using the Priority Use Schedule. The Priority Reservation Period begins September 1 and ends on September 30 prior to the beginning of the Use Year. For example, the Priority Reservation Period for the 2007 Use Year will begin on September 1, 2006 and end on September 30 of 2006.

Priority Use Schedule means the schedule assigning the priority order in which Club Members select Floating Time during the Fixed Time and Priority Reservation Period. In order to be equitable to all Club Members, the priority order for selecting Floating Time during this time period will rotate on a yearly basis, as determined by the Club Manager and set forth on the Priority Use Schedule, attached to these Reservation Policies and Procedures as Exhibit B. The Priority Use Schedule will be used for reservations of Floating Time during the Priority Reservation Period.

Reservation Policies and Procedures means these Fifth and Fifty-Fifth Residence Club, New York, Reservation Policies and Procedures as may be amended from time to time.

Sponsor means St. Regis Residence Club, New York Inc., a Florida corporation.

Sleeping Capacity means the maximum number of persons permitted to occupy a Club Unit. The sleeping capacity of a Two Bedroom Duplex Club Unit is six (6) persons; for a One Bedroom Club Unit is four (4) persons and for a Studio Club Unit is two (2) persons.

Unaccompanied Guest means any guest who occupies a Club Unit without a Club Member during a Member's confirmed Club Week at the request of such Member and with notice to the Club Manager as provided in Reservation Policies and Procedures.

Use Year means the period of time beginning on the first Friday of each January and ending the Thursday before the first Friday of the following January. For example, the 2007 Use Year begins on January 5, 2007 and ends on January 3, 2008.

Section Two: Use of the Reservation System and Unaccompanied Guests

Subject to Law and the provisions of the Club Documents, only Club Members in Good Standing may use the reservation system and use the accommodations at the Fifth and Fifty-Fifth Residence Club, New York.

Each Club Interest shall have a Primary Owner as initially designated in the Purchase Agreement or if no Primary Owner is designated in the Purchase Agreement, the Primary Owner shall be the first person listed on the deed for the Club Interest(s). The Primary Owner shall have exclusive rights to use the reservation system and to make all other related decisions for the Club Interest. Only the Primary Owner may substitute a new Primary Owner, and such a change must be made in writing to the Club Manager Agent at least ten (10) days prior to the effect of the change.

Each owner listed on the deed ("Other Owners") for a Club Interest(s) may also make reservations for the Club Interest. However, in the case of a conflict between the reservation requests of any Other Owners and the Primary Owner, the Primary Club Owner's requests will be honored.

The Primary Owner may notify the Manager in writing of one individual ("Permitted User") who shall be allowed to make reservations for the Club Interest of behalf of the Primary Owner or Other Owners. Only the Primary Owner may make changes to the designated Permitted User; and such a change must be made in writing to the Club Manager.

The Primary Owner or Other Owners may make a reservation for or permit an Unaccompanied Guest to occupy their Club Unit during their reserved Club Week subject to the following restrictions: (i) the maximum allowable occupancy limits for the occupied Club Unit may not be exceeded; (ii) Unaccompanied Guests must observe the check-in and check-out procedures; and (iii) Unaccompanied Guests under twenty-one (21) years of age must be accompanied by a legal guardian twenty-one (21) years of age or older. When making a reservation for an Unaccompanied Guest who will occupy the Club Unit without a Club Member, the Club Member making the reservation must notify the Club Manager that the guest will be unaccompanied. The Club Member will be asked to specify the Unaccompanied Guest's name, address and telephone number in writing at least fourteen (14) days prior to arrival. The Unaccompanied Guest will be required to pay all charges

incurred (if any) upon check out, unless, payment has been arranged in advance by the Club Member. The Club Member who made the reservation on behalf of the Unaccompanied Guest is responsible for any unpaid charges incurred by their Unaccompanied Guest, and is responsible for any damages to Club Unit, furnishings, or Condominium property caused by the Unaccompanied Guest.

No additional fees will be charged for guests of the Club Member during their reserved Club Week(s).

Section Three: Making a Reservation

These Reservation Policies and Procedures are designed to provide Club Members with both flexibility and certainty. As a result it is very important that each Club Member reads these Reservation Policies and Procedures and timely communicates their desired time to stay in a Club Unit to the Club Manager. Four (4) Club Weeks or up to twenty-eight (28) days of time each Use Year may be reserved for each Club Interest, as further specified in these Reservation Policies and Procedures.

Fixed Time Reservations

At the beginning of the Priority Reservation Period, the Club Manager will automatically reserve the Fixed Time assigned to each Club Interest. Each Club Member's Fixed Time is the time period shown on their deed in the Club Unit referenced on their deed. If a Club Member chooses not to occupy their Club Unit for the entire Fixed Time, they may not carry over any of the unused days from Fixed Time into Floating Time. The Primary Owner of each Fixed Club Interest will be mailed a confirmation of their automatic reservation of the Fixed Time by the Club Manager.

Each Club Member may notify the Club Manager if they wish to release their Fixed Time reservation in exchange for an Alternative Club Week reservation. The Club Member requesting an Alternative Club Week Reservation instead of the Club Member's Fixed Time Reservation, should indicate the Club Weeks the Club Member desires to occupy on the Alternative Club Week request form and return the form to the Club Manager prior to the end of the Priority Reservation Period. A Club Member must request a full Club Week on their Alternative Club Week request as this reservation will take the place of their Fixed Time reservation. In addition, the Club Member who owns a Club Interest in a Two Bedroom Duplex must request an Alternative Club Week in a Two Bedroom Duplex. Any days that the Club Member chooses not to occupy a Club Unit during the Alternative Club Week may not be carried over into Floating Time. Alternative Club Week requests will be confirmed using the Priority Rotation Schedule basis and the Club Manager will only release the Club Member's Fixed Time reservation upon the successful confirmation of the Club Member's Alternative Club Week request. The Club Manager's ability to honor Alternative Club Week requests is subject to availability.

The Sponsor will not sell more than fifty percent (50%) of a particular Club Week as Fixed Time in each Accommodation Type. Therefore, Club Members will have the ability to reserve all Club Weeks when making Floating Time Reservations, based on availability, as further discussed below.

Floating Time Reservations

Floating Time may be reserved during two reservation periods. The first reservation period for Floating Time is the Priority Reservation Period that begins September 1 and ends September 30 prior to the beginning of the Use Year. The second reservation period for Floating Time is the Open Reservation Period that begins November 1 and ends the last day of the following Use Year.

Priority Reservation Period. At the beginning of the Priority Reservation Period, each Primary Owner will be asked to select the Floating Time they desire to reserve for the applicable Use Year. The reservation request for Floating Time must follow these rules:

- 1) No more than four (4) reservations for Floating Time may be confirmed at any time for each Use Year. However, at the Club Manager's sole discretion, exceptions may be made for special or event request reservations if such reservations will not occur during highly demanded periods. If a Club

Member relinquishes their Fixed Time and secures a Floating Time reservation, such reservation shall count as part of the Club Member's maximum of four Floating Time reservations.

2) No Floating Time reservation made during the Priority Reservation Period may be for less than one (1) day or more than ten (10) days;

3) Floating Time consists of a maximum twenty-one (21) days, which comprises a maximum of fifteen (15) weekdays and a maximum of six (6) weekend days, in each Use Year as determined by the Club Calendar.

Each Club Member's request for Floating Time will be processed using the Member's Assigned Priority Designation according to the Priority Use Schedule. The Priority Use Schedule shows the selection priority for each Use Year using an Assigned Priority Designation. A Priority Designation will be assigned at the time a Club Interest is conveyed. An Assigned Priority Designation determines the reservation selection priority for each Club Member for Floating Time during the Priority Reservation Period each Use Year. Reservations will be filled in priority order by priority letter and number. In order to be equitable to all Club Members, the priority order for selecting Floating Time will rotate on a yearly basis, as determined by the Club Manager and set forth on the Priority Use Schedule, attached to these Reservation Policies and Procedures as Exhibit B.

Club Member's request for Floating Time during the Priority Reservation Period will be confirmed based on the Club Unit type listed on their deed. Club Members should not expect to be confirmed into the specific Club Unit listed on their warranty deed for Floating Time reservations.

Club Members who do not submit Floating Time reservation requests during the Priority Reservation Period will not have any Floating Time reserved and must use the Open Reservation Period to secure a Floating Time reservation.

Club Members who fail to reserve Floating Time during the Priority Reservation Period risk losing their ability to reserve all of their available Floating Time.

Open Reservation Period

Each November 1, the Club Manager will publish a listing of available Floating Time for the applicable Use Year. Club Members may secure reservations of their unused Floating Time beginning November 1 through the end of the applicable Use Year by calling the Club Manager and reserving available time on a first come, first served basis. The reservation requests for Floating Time during the Open Reservation Period must follow these rules:

1) No more than four reservations for Floating Time may be confirmed at any time during each Use Year;

2) No Floating Time reservation may be for less than one (1) day or more than ten (10) days;

3) Floating Time consists of a maximum of twenty-one (21) days, which comprises a maximum of fifteen (15) weekdays and a maximum of six (6) weekend days, in each Use Year as determined by the Club Calendar.

A Club Member may not reserve more than a maximum of twenty-one (21) days comprising a maximum of fifteen (15) weekdays and six (6) weekend days in both the Priority Reservation Period and the Open Reservation for each Use Year. Members who own a Club Interest in a Duplex residence may reserve up to thirty (30) weekdays and twelve (12) weekend days when separately reserving the Studio and One Bedroom residences that make up their Duplex residence.

Section Four: Reservation Periods

The following reservation periods will be followed for the Club and may be amended by the Club Association from time to time. Club Members will be notified of any change to these reservation periods within a reasonable time of such changes being adopted by the Club Association.

Priority Reservation Period	Reservation Confirmations mailed to Primary Owners of Fixed Time; Alternative Club Week reservation requests mailed to Club Members; Floating Time reservations made using the Priority Use Schedule, as further described in these use rules. SPG Conversion forms mailed to the Primary Owners for each Club Interest. Club Members may submit requests to rent their Fixed Time and up to seven days of their Floating Time to the Club Manager.
September 1- September 30	SPG Conversion request forms due to Club Manager. Alternative Club Week reservations requests due to the Club Manager.
October 1-31	Schedule of available Floating Time notices mailed to Club Members.
Open Reservation Period November 1 – Subsequent Use Year End.	Reservations accepted for available Floating Time on a first come, first served basis, as further described in these rules.

Section Five: Cancellations

A Club Member may cancel a confirmed reservation for the use of a Club Unit no later than seven (7) days prior to the Club Member's arrival date. Club Members who cancel their reservation thirty (30) days or less before the arrival date are limited to making an alternative reservation using available Floating Time within thirty (30) days of the arrival date.

The Club Manager will make a reasonable effort to make the time associated with the confirmed reservation available to other Club Members and to provide the canceling Club Member with an alternate reservation, in accordance with the priorities and restrictions associated with the Club Member's Club Interest, the Priority Use Schedule and available unreserved time. Club Members who do not accept an alternative reservation for any cancelled Floating Time or Fixed Time by the end of the applicable Use Year will lose this time. Cancelled Floating Time or Fixed Time from one Use Year may not be carried over into the next Use Year. The earlier Club Manager is notified of a cancellation, the more likely the Club Member will receive an acceptable alternate reservation. The Club Manager will make every effort to provide a Club Member who wishes to cancel a confirmed reservation with an acceptable alternative reservation, however, this cannot be guaranteed.

Section Six: Club Association Owned Club Weeks and Maintenance Weeks

The Club Association will own one (1) or more Club Week(s) in each Club Unit. At least one (1) Club Week owned by the Club Association will be used for maintenance of each Club Unit each calendar year. The maintenance week for each Club Unit will be selected after all Club Members reservations for Floating Time during the Priority Reservation Period have been confirmed. The specific Club Week that will be used for maintenance may vary each use year and may vary by Club Unit. Any additional Club Weeks owned by the Club Association will be made available for the reservation of Club Members. If any of the Club Association owned Club Weeks are not reserved by Club Members, the Club Association reserves the right to rent such unreserved Association Weeks to members of the general public at any time.

Section Seven: Club Week 53

Sponsor has reserved the right to use or rent for its own purpose, Club Week 53 when that time period occurs in all Club Units. Sponsor reserves the right to assign or convey its use rights in Club Week 53 to the Club Association or any other entity.

Section Eight: Day Use

In order to maintain each Club Member's privacy, exclusivity and enjoyment of the available facilities and amenities, day use of the available facilities and amenities is not permitted. Use of, or access to, the available facilities and amenities is limited to Club Members, their accompanied and unaccompanied guests, who are occupying a Club Unit.

Section Nine: Two Bedroom Duplex Use

Club Members who own a Two Bedroom Duplex have the ability to use the time associated with their Club Interest using the full Club Unit or may "split" the use of their Club Unit. A Club Member must use their full Club Unit when using their Fixed Time or when requesting an Alternative Week. However, a Club Member may split the use of their Club Unit for their Floating Time. For example, they may use twenty-one (21) days in the smaller portion of their Club Unit and use an additional twenty-one (21) days in the larger portion of their Club Unit. Such use must follow the restrictions set forth in these Reservation Policies and Procedures. The Club Member may also split the use of their Club Unit by converting one side for SPG Conversion or rental and reserving Floating Time in the other portion of their Club Unit. Each Two Bedroom Duplex is made up of a One Bedroom Unit and a Studio Unit.

Section Ten: Alternate Use of Club Weeks

A. Rental Program:

Club Members may rent their Club Week(s) using the rental program operated by the Club Manager, using a third party unrelated to the Club Manager or may rent their Club Week(s) themselves. Only Fixed Time or Floating Time reserved as a full Club Week may be rented. A Club Member may rent up to fourteen (14) days of time associated with their Club Interest each Use Year using the rental agent affiliated with the Club Manager. If a Club Member has converted any time associated with a Club Interest to Starpoints as described

in Section Nine, such time will be deducted from the total number of days the Club Member may submit to the rental program maintained by the Club Manager.

In order to rent a Club Week(s) using the Club Manager, Club Members must complete a rental agreement with the Club Manager. In order to rent a Club Week(s) using a third party, Club Members must contact the Club Manager and notify them of which Club Week(s) will be rented, the name of the guest or guests who will be occupying the Club Unit, along with any other information that the Club Manager deems necessary. The Club Manager must be notified of any rental of a Club Week(s) using a third party rental agent at least one (1) week prior to occupancy. The Club Manager will have the right to request information on any persons renting a Club Week through a third party rental agent. The Club Member or third party rental agent will be solely responsible for providing all information requested by the Club Manager in order to secure approval of the rental guest. The Club Manager may refuse to confirm a rental reservation for any rental guest for whom the Club Manager is not provided the required background and financial information or who fails to meet the financial and background criteria necessary to secure a rental reservation, as such criteria are determined by the Club Association from time to time.

The ability of a Club Member to rent Club Weeks will be extremely limited. Club Members will be competing with Sponsor for the rental of Club Weeks. Club Members SHOULD NOT purchase a Club Interest with any expectation of rental for Club Weeks reserved as part of the Club Interest.

B. SPG Conversion Program

The Starwood Preferred Guest Program ("SPG") is a guest recognition program, which provides certain vacation and travel benefits through the award and redemption of Starpoints. Starwood Hotels & Resorts Worldwide, Inc. ("Starwood") operates the SPG Program. The Starpoints Conversion Program permits Club Members to convert up to fourteen (14) days of either Fixed Time or Float Time to Starpoints, subject to the terms and conditions listed in the Starpoints Disclosure Statement. The converted Starpoints will be deposited into the Club Member's SPG account and may be used according to the rules of the SPG Program. Sponsor reserves the right to limit participation in the Starpoints Conversion Program to only those Club Members who purchase their Club Interest from Sponsor or an authorized agent of the Sponsor. A Club Member may not convert more than fourteen (14) days of use associated with each Club Interest to Starpoints in each Use Year.

C. Exchange Program

The Club Association may endorse, but has not at this time endorsed, an external exchange program. Until the Club Association enters into a binding agreement with an exchange company, which satisfactorily offsets the costs of administration, front desk, and other services provided to exchange users, and provides for such terms and provisions as exchange trading power, exchange user liability, and the procedures for confirming exchanges, the Club Association shall not recognize or honor external exchanges. This Section shall in no way prohibit the Club Association from entering into reciprocal sharing agreements with one or more other Club Associations. In addition, the Club Manager reserves the right to limit the number of Club Weeks that Club Members may submit to any exchange program that may become affiliated with the Club in any given Use Year.

Each Club Interest may submit up to a maximum of fourteen (14) days of time associated with the Club Interest to any combination of the Alternate Club Week uses described in this section in any given Use Year.

Section Eleven: Amendments

The Club Manager has the right to recommend changes to these Reservation Policies and Procedures, including all exhibits, to the Club Board from time to time as conditions warrant. The Club Board shall have the right to make amendments to these Reservation Policies and Procedures, in its sole discretion, from time to time. The Club Board will exercise reasonable judgment to further the reasonable interests of Club Members as a whole with respect to their opportunity to use the Club Units and available amenities and facilities. The Reservation Policies and Procedures will not be amended so as to deny Club Members in Good Standing the opportunity to reserve the Club Weeks associated with their Club Interests. Furthermore, these Reservation Policies and Procedures will not be changed in a way that discriminates against any category of Club Members. Notice of any amendments to these Reservation Policies and Procedures will be provided to the Primary Owner via U.S. mail, e-mail or website posting.

END OF RESERVATION RULES
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EXHIBIT B-1
Priority Use Schedule
Studio and One Bedroom Units

EXHIBIT B - PRIORITY USE SCHEDULE

Use Year 2006/2007
 Studio and One Bedroom

Use Year 2007/2008
 Studio and One Bedroom

Reservation Request processing order	Share	Residence Letter					Reservation Request processing order	Share	Residence Letter			
1st 1A-1D	1	A	B	C	D		1st 2B-2A	2	B	C	D	A
2nd 2A- 2D	2	A	B	C	D		2nd 3B-3A	3	B	C	D	A
3rd 3A-3D	3	A	B	C	D		3rd 4B-4A	4	B	C	D	A
4th 4A-4D	4	A	B	C	D		4th 5B-5A	5	B	C	D	A
5th 5A-5D	5	A	B	C	D		5th 6B-6A	6	B	C	D	A
6th 6A-6D	6	A	B	C	D		6th 7B-7A	7	B	C	D	A
7th 7A- 7D	7	A	B	C	D		7th 8B-8A	8	B	C	D	A
8th 8A-8D	8	A	B	C	D		8th 9B-9A	9	B	C	D	A
9th 9A-9D	9	A	B	C	D		9th 10B-10A	10	B	C	D	A
10th 10A- 10D	10	A	B	C	D		10th 11B-11A	11	B	C	D	A
11th 11A- 11D	11	A	B	C	D		11th 12B-12A	12	B	C	D	A
12th 12A- 12D	12	A	B	C	D		12th 1B-1A	1	B	C	D	A

Use Year 2008/2009
 Studio and One Bedroom

Share	Residence Letter			
3	C	D	A	B
4	C	D	A	B
5	C	D	A	B
6	C	D	A	B
7	C	D	A	B
8	C	D	A	B
9	C	D	A	B
10	C	D	A	B
11	C	D	A	B
12	C	D	A	B
1	C	D	A	B
2	C	D	A	B

Use Year 2009/2010
 Studio and One Bedroom

Share	Residence Letter			
4	D	A	B	C
5	D	A	B	C
6	D	A	B	C
7	D	A	B	C
8	D	A	B	C
9	D	A	B	C
10	D	A	B	C
11	D	A	B	C
12	D	A	B	C
1	D	A	B	C
2	D	A	B	C
3	D	A	B	C

Notes:

1. Each Club Interest has an Assigned Priority Designation which consists of a letter or letters and a number.
2. The Assigned Priority Designation is listed on the Deed for each Club Interest.
3. During the Priority Reservation Period, the Floating Time for each Club Interest may be reserved using the Assigned Priority Designation as shown on this schedule.
4. The selection number governs the order of selecting weeks/nights assigned to the Club Interest for reservation requests.
5. The selection letter governs the order for selecting Floating Time within the same selection number and is based on the number of units in each unit type.
6. Each Club Member should review the Reservation Policies and Procedures for the Fifth and Fifty-Fifth Residence Club, New York.

EXHIBIT B-2

Priority Use Schedule Two Bedroom Duplex

EXHIBIT B - PRIORITY USE SCHEDULE

Use Year 2006/2007

Two Bedroom Duplex

Share	Residence Letter											
	A	B	C	D	E	F	G	H	I	J	K	L
1	A	B	C	D	E	F	G	H	I	J	K	L
2	A	B	C	D	E	F	G	H	I	J	K	L
3	A	B	C	D	E	F	G	H	I	J	K	L
4	A	B	C	D	E	F	G	H	I	J	K	L
5	A	B	C	D	E	F	G	H	I	J	K	L
6	A	B	C	D	E	F	G	H	I	J	K	L
7	A	B	C	D	E	F	G	H	I	J	K	L
8	A	B	C	D	E	F	G	H	I	J	K	L
9	A	B	C	D	E	F	G	H	I	J	K	L
10	A	B	C	D	E	F	G	H	I	J	K	L
11	A	B	C	D	E	F	G	H	I	J	K	L
12	A	B	C	D	E	F	G	H	I	J	K	L

Use Year 2007/2008

Two Bedroom Duplex

Share	Residence Letter											
	B	C	D	E	F	G	H	I	J	K	L	
2	B	C	D	E	F	G	H	I	J	K	L	A
3	B	C	D	E	F	G	H	I	J	K	L	A
4	B	C	D	E	F	G	H	I	J	K	L	A
5	B	C	D	E	F	G	H	I	J	K	L	A
6	B	C	D	E	F	G	H	I	J	K	L	A
7	B	C	D	E	F	G	H	I	J	K	L	A
8	B	C	D	E	F	G	H	I	J	K	L	A
9	B	C	D	E	F	G	H	I	J	K	L	A
10	B	C	D	E	F	G	H	I	J	K	L	A
11	B	C	D	E	F	G	H	I	J	K	L	A
12	B	C	D	E	F	G	H	I	J	K	L	A
1	B	C	D	E	F	G	H	I	J	K	L	A

Use Year 2008/2009

Two Bedroom Duplex

Share	Residence Letter											
	C	D	E	F	G	H	I	J	K	L		
3	C	D	E	F	G	H	I	J	K	L		A B
4	C	D	E	F	G	H	I	J	K	L		A B
5	C	D	E	F	G	H	I	J	K	L		A B
6	C	D	E	F	G	H	I	J	K	L		A B
7	C	D	E	F	G	H	I	J	K	L		A B
8	C	D	E	F	G	H	I	J	K	L		A B
9	C	D	E	F	G	H	I	J	K	L		A B
10	C	D	E	F	G	H	I	J	K	L		A B
11	C	D	E	F	G	H	I	J	K	L		A B
12	C	D	E	F	G	H	I	J	K	L		A B
1	C	D	E	F	G	H	I	J	K	L		A B
2	C	D	E	F	G	H	I	J	K	L		A B

Notes:

1. Each Club Interest has an Assigned Priority Designation which consists of a letter or letters and a number.
2. The Assigned Priority Designation is listed on the Deed for each Club Interest.
3. During the Priority Reservation Period, the Floating Time for each Club Interest may be reserved using the Assigned Priority Designation as shown on this schedule.
4. The selection number governs the order of selecting weeks/nights assigned to the Club Interest for reservation requests.
5. The selection letter governs the order for selecting Floating Time within the same selection number and is based on the number of units in each unit type.
6. Each Club Member should review the Reservation Policies and Procedures for the Fifth and Fifty-Fifth Residence Club, New York.

CLUB POWER OF ATTORNEY
